



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

May 7, 2010

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

TEMPORARY CURTAILMENT OF DEFERRED COMPENSATION AND THRIFT PLAN (HORIZONS) MATCHING CONTRIBUTIONS

The Los Angeles County Deferred Compensation and Thrift Plan (Horizons) and the County Fringe Benefit Memoranda of Understanding with our employee organizations impose a fiscal year cap on the total matching contributions that the County can make to represented Plan participants. The Horizons cap on County matching contributions for fiscal year July 1, 2009 to June 30, 2010 is \$112 million, unchanged from the previous fiscal year. The Horizons Plan ordinance requires affected participants to be notified should it be determined funding will be insufficient to meet the matching contributions necessary to provide participants their full match during the remainder of the fiscal year.

The 2009-10 Horizons cap is expected to be met with the contributions scheduled for the May 16-30, 2010 accrual period. The remaining funds authorized for matching purposes will be approximately 11.7% of the projected matching contributions required to meet the full match for the May 16-30, 2010 accrual period. Represented employees who participate in the Horizons Plan will have a corresponding pro rata reduction of their County matching contribution. The 11.7% curtailment to the matching contributions for the May 16-30, 2010 accrual period will be reflected on the June 15, 2010 paychecks. Since funding will be exhausted with the matching contribution made on the June 15, 2010 payday, no County matching contributions will be available to represented employees for the remainder of the fiscal year.

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Employee take-home pay will not be affected and there will be no change in employee personal contributions to the Plan.

Full matching contributions will resume with the new fiscal year commencing with contributions for the July 1-15, 2010 accrual period that will be reflected on the July 30, 2010 pay stub.

WTF:EFS
WGL:DT:df

c: Department Heads
 Administrative Deputies
 Personnel Officers
 Horizons Plan Administrative Committee
 SEIU, Local 721
 Coalition of County Unions
 Guild for Professional Pharmacists
 Los Angeles County Association of Environmental Health Specialist
 Association of Public Defender Investigators
 Professional Peace Officers Association
 Union of American Physicians
 Great-West Retirement Services